Congress of the United States

Washington, DC 20515

April 18, 2008

The Honorable Collin Peterson Chairman House Agriculture Committee 1301 Longworth House Office Building Washington, D.C. 20515

The Honorable Tom Harkin Chairman Senate Committee on Agriculture, Nutrition, and Forestry 328A Russell Senate Office Building Washington, D.C. 20510

The Honorable Charles Rangel Chairman House Ways and Means Committee 1102 Longworth House Office Building Washington, D.C. 20515

The Honorable Max Baucus Chairman Senate Finance Committee 219 Dirksen Senate Office Building Washington, D.C. 20510 The Honorable Bob Goodlatte Ranking Member House Agriculture Committee 1305 Longworth House Office Building Washington, D.C. 20515

The Honorable Saxby Chambliss Ranking Member Senate Committee on Agriculture, Nutrition, and Forestry 328A Russell Senate Office Building Washington, D.C. 20510

The Honorable Jim McCrery Chairman House Ways and Means Committee 1139 Longworth House Office Building Washington, D.C. 20515

The Honorable Chuck Grassley Ranking Member Senate Finance Committee 219 Dirksen Senate Office Building Washington, D.C. 20510

Dear Chairmen Peterson, Harkin, Rangel, and Baucus and Ranking Members Goodlatte, Chambliss, McCrery, and Grassley:

We oppose using a limitation on physician-owned hospitals as an offset in the Farm Bill conference report.

First and foremost, any limitations on physician-owned hospitals are within the jurisdiction of the House Committees on Energy and Commerce and Ways and Means and the Senate Finance Committee. Second, such a limitation should not be used precariously to offset agricultural spending in a bill that does nothing to address rising health care costs or ensure patients' access to care. This provision, put simply, pays for farm bill spending at the expense of all Americans. It restricts patient choice and jeopardizes access to quality care, particularly in underserved communities and states suffering from hospital and health professional shortages.

Additionally, we are currently waiting for the Congressional Budget Office (CBO) to provide us with additional information about how it has been scoring limitations on physician-owned hospitals. In years past, CBO has assigned minimal savings to the Medicare program as a result of limitations on physician-owned hospitals. However, in the last few months, CBO has changed its score of this provision multiple times. In light of this circumstance, we believe it is inappropriate to rely upon CBO's projected savings until CBO is able to respond thoroughly to outstanding Member requests for more information.

It is hard for us to understand why physician-owned hospitals continue to be targeted for budgetary savings time and time again. Physician-owned hospitals provide some of the highest quality care for cardiac, orthopedic, and maternity care services. Three of the top ten cardiac programs, and three of the top ten hospitals for joint-replacement surgery, are physician-owned. Physician-owned hospitals also provide care in many rural areas of the country where patients have few health care options.

This limitation has no place in the Farm Bill, and we respectfully request that it not be considered an offset for the conference agreement.

Sincerely,

Jon Kyl

United States Senator

Joe Barton

Member of Congress

cc: House and Senate Farm Bill Conferees

United States Senator.	United States Senator
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Member of Congress	Member of Congress
Shula Jacksufer Member of Congress	August Hall Member of Congress
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